

Office of the
Legislative Fiscal Analyst

FY 2002 Budget Recommendations

Joint Appropriations Subcommittee for
Health and Human Services

Utah Department of Human Services
Supplemental Funding Items

Contents:

- 1.0 Summary
- 2.0 Issues
- 3.0 N/A
- 4.0 History

1.0 Summary: Department of Human Services

Usually supplemental appropriations for the current fiscal year are for additional, one-time funding needs to meet unexpected expenditures. The current economic situation requires the Legislature to make budgetary reductions in various agencies' appropriations to balance the FY 2002 budget. With a projected \$202.5 million shortfall in state revenues, legislative leadership has directed supplemental negative appropriations be made in most state departments' budgets. The Governor anticipated a shortfall early in the current fiscal year and announced budgetary "holdbacks" totaling approximately 2.5 percent of the current state appropriated funded levels.

The Department of Human Services' original General Fund holdbacks totaled \$3,287,100, or about 1.52 percent. Later, as revenue projections required additional adjustments, the Governor recommended further budget reductions, along with using the State's Rainy Day Fund. His second round of General Fund budget holdbacks totaled \$4,168,600 in the Department of Human Services, or another 1.92 percent. In total, the Governor recommends FY 2002 Human Services budget reductions totaling \$7,455,700, or approximately 3.4 percent.

The supplemental recommendations of the Fiscal Analyst do not include the use of the Rainy Day Fund. The Fiscal Analyst is recommending reductions in the Human Services budget totaling \$10,875,400 in the FY 2002 General Fund appropriated budget, or about 5.03 percent. These numbers represent all divisions in the Department of Human Services, except the Division of Youth Corrections, which budget is heard in the Executive Offices and Criminal Justice appropriations subcommittee.

The recommended reductions include the original Governor's budget holdbacks, eliminating one-time FY 2002 appropriations, several across the board cuts, and program reductions. It involves eliminating 141 FTE (full-time equivalent) employees. About 45 percent of the recommended reductions are in administrative areas, and the other 55 percent are in human services program areas. Generally, reduced expenditures were limited to eight months of the fiscal year, allowing for expenditures that were made prior to the Governor's announced budget holdbacks.

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	216,869,500		216,869,500
General Fund, One-time	(500,000)	(10,875,400)	(11,375,400)
Federal Funds	117,411,400	(3,321,500)	114,089,900
Dedicated Credits Revenue	8,168,900	(172,000)	7,996,900
Dedicated Credits - Intragvt Rev	4,177,900		4,177,900
GFR - Children's Trust	350,000		350,000
GFR - Domestic Violence	650,000		650,000
GFR - Intoxicated Driver Rehab	1,050,000		1,050,000
GFR - Tobacco Settlement	1,647,200		1,647,200
GFR - Trust for People with Disabilities	200,000		200,000
Transfers - H - Medical Assistance	120,574,200	(1,916,100)	118,658,100
Transfers - Other Agencies	7,614,400	(114,500)	7,499,900
Beginning Nonlapsing	1,450,200		1,450,200
Total	\$479,663,700	(\$16,399,500)	\$463,264,200
Programs			
Human Services	475,485,800	(16,399,500)	459,086,300
ISF - Human Services	4,177,900		4,177,900
Total	\$479,663,700	(\$16,399,500)	\$463,264,200
FTE/Other			
Total FTE	3,748	(141)	3,607

2.0 Issues: Department of Human Services

The following summarizes the Department's recommended reductions by categories. Detailed impacts on various divisions in the Department are presented following this overview report. Again, the Division of Youth Corrections is not included in these reports, as its budget is heard in the Executive Offices and Criminal Justice appropriations subcommittee.

2.1 Fiscal Analyst Recommendations

The Fiscal Analyst's FY 2002 recommended General Fund budget reductions total \$10,875,400 which include the original Governor's budget holdbacks of \$3.3 million (16 FTE positions). The Analyst's additional reductions of \$7,588,300 include \$4.4 million of additional administrative cuts and \$3.2 million of service reductions (125 FTE positions). Of the total \$10.9 million General Fund reductions the Analyst recommends, approximately \$3 million are reductions in budget increases funded by last year's Legislature.

2.2 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor identified \$3,287,100 in General Fund reductions. This includes \$1,100,000 of one-time General Fund appropriated funds, which included \$250,000 for elderly services transportation equipment, \$550,000 for in-home elderly services, and \$300,000 for local mental health services. Of the remaining \$2,287,100 in on-going funds, \$501,000 represents administrative reductions and the balance reductions in other services. The Governor's first round holdbacks will leave 16 staff positions vacant. The Fiscal Analyst recommends these first round cuts by the Governor to the Legislature.

General Fund	(\$3,287,100)
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The Governor's second round of FY 2002 budget adjustments total another \$4,168,600 in General Fund reductions. Combined with the original holdbacks, the Governor's recommended FY 2002 General Fund reductions total \$7,455,700, or approximately 3.4 percent of the appropriated FY 2002 budget. Some of the Governor's second round reductions have been included in the following Analyst's recommendations.

2.3 Internal Service Fund Rate Reductions

There is an overall reduction of \$77,700 (General Fund) for the Department in FY 2002 due to rate changes in the State Internal Service Funds. These reductions reflect rate changes in the Motor Pool, Information Technology Services and Division of Facilities, Construction and Management.

General Fund	(\$77,700)
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2.4 One Day Furlough

A one day furlough (leave without pay) in FY 2002 will save the department \$313,100 in General Funds.

General Fund	(\$313,100)
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2.5 Across-the-Board Reductions

The Analyst has included ten percent across-the-board decreases in several travel and current expense categories totaling \$410,900. The categories included both in and out of state travel, conventions and workshops, data processing current expense, entertainment and receptions, office supplies and equipment. In addition, the recommendation includes a 50 percent reduction in budgeted computer acquisitions, for another \$431,300 savings.

General Fund	(\$842,200)
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2.6 FACT Restructuring

FACT (Families, Agencies, Communities Together) is a twelve-year old initiative to address the needs of at-risk children using a community-based, collaborative model involving various state and local agencies. The Analyst's recommended FY 2002 reductions include reducing the administrative overhead of this program, as well as eliminating the "flexible funding pool" used to provide needs of the child's family not otherwise available. Reductions are recommended in the FACT budgets for State Office of Education, Department of Health, and Department of Workforce Services as well as in the Department of Human Services. Total recommended reductions for FY 2002 are \$716,000, with \$417,800 in the Department of Human Services. This represents about half of costs related to administration and the "flexible funding pool." These reductions should not affect current FACT budgeted service delivery staff in various agencies.

General Fund	(\$417,800)
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2.7 Administrative Reductions

In addition to the Governor's original budget holdbacks, across-the-board reductions, one-day furlough, and FACT restructuring, the Analyst has recommended administrative reductions totaling \$3,325,000. These include general administrative reductions in all divisions and additional vacancy savings (above personnel turnover savings already factored in).

General Fund	(\$3,325,000)
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2.8 Program and Services Reductions

Program and service funding reductions are detailed in the sections discussing each division's FY 2002 budget reductions. In addition to the Governor's original holdbacks and FACT restructuring, these General Fund reductions total \$2,512,500.

General Fund	(\$2,512,500)
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2.9 Revenue Funding Shift

The Analyst's FY 2002 recommendations include using \$100,000 from the Trust Fund for People with Disabilities to replace General Fund in the base budget for Division of Services for People with Disabilities.

General Fund	(\$100,000)
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2.10 Market Cost and Retirement Adjustments

The 2001 Legislature appropriated funds to the Division of Finance to cover FY 2002 market cost adjustments (MCA's) and some retirement adjustments in various State agencies. These funds have been transferred to the appropriate agencies' budgets. The revenue appears in their FY 2002 budgets as "Transfers – Other Agencies." These funds will appear as part of the agencies' General Fund base for FY 2003. The Department of Human Services received \$276,600 for MCA's and \$24,600 for retirement adjustments.

2.11 Nonlapsing Intent Language: Executive Director Operations

Under terms of UCA 63-38-8.1, the Analyst recommends the funds appropriated in 2001 for FY 2002 to the Executive Director Operations (Item 134, Chapter 334, Laws of Utah 2001) not lapse back to the General Fund. Expenditures of these funds is limited to the following:

<i>Computer Equipment / Software</i>	<i>\$100,000</i>
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2.12 Nonlapsing Intent Language: Division of Mental Health

Under terms of UCA 63-38-8.1, the Analyst recommends the funds appropriated in 2001 for FY 2002 to the Division of Mental Health (Item 136, Chapter 334, Laws of Utah 2001) not lapse back to the General Fund. Expenditures of these funds is limited to the following:

<i>Equipment / Supplies</i>	<i>\$25,000</i>
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2.13 Nonlapsing Intent Language: Division of Substance Abuse

Under terms of UCA 63-38-8.1, the Analyst recommends the funds appropriated in 2001 for FY 2002 to the Division of Substance Abuse (Item 137, Chapter 334, Laws of Utah 2001) not lapse back to the General Fund. Expenditures of these funds is limited to the following:

<i>Computer Equipment / Software</i>	<i>\$12,500</i>
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2.14 Nonlapsing Intent Language: Division of Services for People with Disabilities

Under terms of UCA 63-38-8.1, the Analyst recommends the funds appropriated in 2001 for FY 2002 to the Division of Services for People with Disabilities (Item 138, Chapter 334, Laws of Utah 2001) not lapse back to the General Fund. Expenditures of these funds is limited to the following:

<i>Computer Equipment / Software</i>	<i>\$25,000</i>
<i>Equipment / Supplies</i>	<i>25,000</i>

2.15 Nonlapsing Intent Language: Division of Child and Family Services

Under terms of UCA 63-38-8.1, the Analyst recommends the funds appropriated in 2001 for FY 2002 to the Division of Child and Family Services (Item 140 Chapter 334, Laws of Utah 2001) not lapse back to the General Fund. Expenditures of these funds is limited to the following:

<i>Computer Equipment / Software</i>	<i>\$50,000</i>
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4.0 Additional Information: Department of Human Services

4.1 Funding History

	1999	2000	2001	2002	Difference
Financing	Actual	Actual	Actual	Revised	2001 to 2002
General Fund	180,571,099	193,430,900	202,792,800	216,869,500	14,076,700
General Fund, One-time				(11,375,400)	(11,375,400)
Federal Funds	101,703,400	103,940,412	103,601,347	114,089,900	10,488,553
Dedicated Credits Revenue	7,363,836	8,088,622	8,321,815	7,996,900	(324,915)
Federal Mineral Lease		0			
GFR - Children's Trust	350,000	350,000	350,000	350,000	
GFR - Domestic Violence	550,000	550,000	550,000	650,000	100,000
GFR - Intoxicated Driver Rehab	950,000	950,000	950,000	1,050,000	100,000
GFR - IT Innovation Fund			100,000		(100,000)
GFR - Tobacco Settlement			1,647,200	1,647,200	
GFR - Trust for People with Disabilities	690,000			200,000	200,000
Transfers - H - Medical Assistance	100,069,931	111,086,037	115,773,049	118,658,100	2,885,051
Transfers - Other Agencies	2,287,202	6,379,959	5,957,355	7,499,900	1,542,545
Transfers - TANF	466,936				
Transfers - USDA	409,299				
Transfers - Within Agency	1,753,250				
Beginning Nonlapsing	2,151,885	523,349	5,089	1,450,200	1,445,111
Closing Nonlapsing	(523,349)	(5,089)	(1,450,210)		1,450,210
Lapsing Balance	(1,661,036)	(88,205)	(5,459,052)		5,459,052
Total	\$397,132,453	\$425,205,985	\$433,139,393	\$459,086,300	\$25,946,907
Programs					
Human Services	397,132,453	425,205,985	433,139,393	459,086,300	25,946,907
Total	\$397,132,453	\$425,205,985	\$433,139,393	\$459,086,300	\$25,946,907
Expenditures					
Personal Services	143,092,672	153,007,844	161,475,260	163,980,900	2,505,640
In-State Travel	1,457,943	1,313,523	1,092,140	1,064,300	(27,840)
Out of State Travel	327,221	361,375	309,981	297,100	(12,881)
Current Expense	36,270,015	40,997,405	41,723,477	38,485,000	(3,238,477)
DP Current Expense	21,492,617	16,316,612	14,565,930	14,426,100	(139,830)
DP Capital Outlay	166,255	987,208	191,377	84,700	(106,677)
Capital Outlay	224,261	362,211	363,642	409,000	45,358
Other Charges/Pass Thru	194,101,469	211,859,807	213,417,586	240,339,200	26,921,614
Total	\$397,132,453	\$425,205,985	\$433,139,393	\$459,086,300	\$25,946,907
FTE/Other					
Total FTE	3,478	3,615	3,600	3,607	7

1.0 Department of Human Services – Executive Director Operations

Summary

The Executive Director Operations (EDO) division includes the Department Director's Office and various bureaus that serve other divisions in the department such as Fiscal Operations, Human Resource Management, and the Office of Technology. It also includes programs that are independent of the other department divisions such as the Governor's Council for People with Disabilities, Foster Care Citizens' Review Boards, and the Office of Children's Ombudsman.

The Analyst recommends a General Fund reduction in the FY 2002 EDO budget totaling \$1,107,600.

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	8,646,200		8,646,200
General Fund, One-time		(1,107,600)	(1,107,600)
Federal Funds	8,772,500	(653,900)	8,118,600
Dedicated Credits Revenue	85,300	(11,400)	73,900
Transfers - H - Medical Assistance	649,200	(67,300)	581,900
Transfers - Other Agencies	2,200,400	(3,800)	2,196,600
Beginning Nonlapsing	100,000		100,000
Total	\$20,453,600	(\$1,844,000)	\$18,609,600
Programs			
Executive Director's Office	2,406,800	(349,100)	2,057,700
Legal Affairs	1,206,700	(187,500)	1,019,200
Information Technology	4,410,000	(455,000)	3,955,000
Administrative Support	3,427,200	(151,500)	3,275,700
Fiscal Operations	2,811,800	(282,000)	2,529,800
Human Resources	1,311,000	(44,400)	1,266,600
Local Discretionary	1,492,000		1,492,000
Special Projects	761,400	(83,300)	678,100
Children's Ombudsman	442,600	(105,100)	337,500
Developmental Disabilities Council	719,800	(8,200)	711,600
Foster Care Citizens Review Boards	1,464,300	(177,900)	1,286,400
Total	\$20,453,600	(\$1,844,000)	\$18,609,600
FTE/Other			
Total FTE	231	(20)	211

2.0 Issues: Department of Human Services – Executive Director Operations (EDO)

2.1 Fiscal Analyst Recommendations

The Fiscal Analyst's FY 2002 recommended General Fund budget reductions total \$1,103,500 for EDO, including the Governor's original budget holdback of \$273,000.

2.2 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor identified \$273,000 in General Fund reductions. This amount represents general administrative reductions in various programs, including a total of four FTE staff positions.

General Fund	(\$273,000)
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2.3 Internal Service Fund Reductions

The General Fund reductions reflecting rate changes in the Motor Pool, Information Technology Services and Division of Facilities, Construction and Management total \$4,100 for EDO. (Total funds impact is \$7,300.)

General Fund	(\$4,100)
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2.4 One Day Furlough

A one day furlough (leave without pay) in FY 2002 will save this division \$24,500 in General Funds.

General Fund	(\$24,500)
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2.5 Across-the-Board Reductions

The Analyst's across-the-board decreases in several travel and current expense categories total \$133,100 for this division. The categories include both in and out of state travel, conventions and workshops, data processing equipment and operating expenses, entertainment and receptions, computers, office supplies and equipment.

General Fund	(\$133,100)
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2.6 Administrative Reductions

In addition to the Governor's original budget holdbacks, across-the-board reductions, and one-day furlough, the Analyst has recommended administrative reductions totaling \$672,900 in General Funds for various programs in EDO. These include additional general administrative reductions (\$550,600), vacancy savings (above personnel turnover savings already factored in - \$86,900), and a reduction in the Foster Care Citizen's Review Board operating budget (\$35,400).

General Fund	(\$672,900)
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1.0 Department of Human Services – Drug Courts and Drug Boards (DC/DB)

Summary

Drug Court is a judicial process that offers nonviolent drug abusing offenders intensive court-supervised drug treatment as an alternative to prison if the offender completes the program. Local area substance abuse authorities and private agencies provide treatment services. Drug Boards is an administrative process similar to Drug Courts, but is offered by the Board of Pardons and Parole in the correction system to individuals entering parole.

The Analyst recommends a General Fund reduction in the FY 2002 budget totaling \$1,000,000, which was included in the original Governor's holdback recommendations.

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	1,000,000		1,000,000
General Fund, One-time		(1,000,000)	(1,000,000)
GFR - Tobacco Settlement	1,647,200		1,647,200
Total	<u>\$2,647,200</u>	<u>(\$1,000,000)</u>	<u>\$1,647,200</u>
Programs			
Drug Board	350,900		350,900
Drug Courts	2,296,300	(1,000,000)	1,296,300
Total	<u>\$2,647,200</u>	<u>(\$1,000,000)</u>	<u>\$1,647,200</u>
FTE/Other			

2.0 Issues: Department of Human Services – Drug Courts / Drug Boards

2.1 Fiscal Analyst Recommendation

The Fiscal Analyst's FY 2002 recommended \$1 million General Fund reduction parallels the Governor's original holdback

2.2 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor recommended that \$1 million of General Fund be held back in the Drug Court program. This is the amount the 2001 Legislature provided to expand the program in FY 2002. No expenditures from this funding increase has been spent.

General Fund	(\$1,000,000)
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1.0 Department of Human Services – Division of Mental Health

Summary

The Division of Mental Health (DMH) is the State's public mental health authority. The Division has general supervision of the State Hospital in Provo. The 10 local community mental health authorities in the State deliver other mental health services. These local authorities either provide services directly or contract with local private providers, such as Valley Mental Health in Salt Lake County.

The Analyst recommends a General Fund reduction in the FY 2002 DMH budget totaling \$2,301,200

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	60,169,600		60,169,600
General Fund, One-time	300,000	(2,301,200)	(2,001,200)
Federal Funds	4,893,000	(115,400)	4,777,600
Dedicated Credits Revenue	2,821,300	(75,600)	2,745,700
Transfers - H - Medical Assistance	7,846,000	(211,600)	7,634,400
Transfers - Other Agencies	211,300	(900)	210,400
Beginning Nonlapsing	5,200		5,200
Total	\$76,246,400	(\$2,704,700)	\$73,541,700
Programs			
Administration	1,259,100	(237,800)	1,021,300
Community Services	7,374,600	(410,000)	6,964,600
Mental Health Centers	22,976,700	(719,000)	22,257,700
Residential Services	2,967,500	(218,700)	2,748,800
State Hospital	41,668,500	(1,119,200)	40,549,300
Total	\$76,246,400	(\$2,704,700)	\$73,541,700
FTE/Other			
Total FTE	815	(29)	786

2.0 Issues: Department of Human Services – Division of Mental Health

2.1 Fiscal Analyst Recommendations

The Fiscal Analyst's FY 2002 recommended General Fund budget reductions total \$2,301,200 for DMH, including the Governor's original budget holdbacks.

2.2 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor identified \$441,700 in General Fund reductions. This amount includes \$300,000 of one-time general funds appropriated last year to increase mental health services by local authorities. It also includes \$23,000 in administrative savings, and \$118,700 in the Residential Services budget.

General Fund	(\$441,700)
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2.3 Internal Service Fund Reductions

The General Fund reductions reflecting rate changes in the Motor Pool, Information Technology Services and Division of Facilities, Construction and Management total \$10,600. (Total funds impact to DMH is \$13,000.)

General Fund	(\$10,600)
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2.4 One Day Furlough

A one day furlough (leave without pay) in FY 2002 will save DMH \$85,500 in General Funds.

General Fund	(\$85,500)
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2.5 Across-the-Board Reductions

The Analyst's across-the-board decreases in several travel and current expense categories total \$127,900 for DMH. The categories include both in and out of state travel, conventions and workshops, data processing equipment and operating expenses, entertainment and receptions, computers, office supplies and equipment.

General Fund	(\$127,900)
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2.6 Administrative Reductions

In addition to the Governor's original budget holdbacks, across-the-board reductions, and one-day furlough, the Analyst has recommended additional administrative reductions totaling \$369,600 in General Funds for various programs in DMH. These include additional general administrative reductions (\$172,600), and vacancy savings (above personnel turnover savings already factored in - \$197,000).

General Fund	(\$369,600)
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2.7 FACT Restructuring

The Analyst's recommended FY 2002 reductions include reducing the FACT (Families, Agencies, Communities Together) budget. In DMH this includes \$97,100 of administrative costs and \$218,500 of the "flexible funding pool" available to families in the program. Other reductions are recommended in the FACT budgets for State Office of Education, Department of Health, and Department of Workforce Services as well as in the Department of Human Services.

General Fund	(\$315,600)
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2.8 Mental Health Centers

The Analyst's recommended FY 2002 reductions include a two percent reduction in State funding passed through to the local mental health centers, or \$419,000.

General Fund	(\$419,000)
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2.9 State Hospital Geriatric Beds

The State Hospital's geriatric wing beds have been under-utilized in recent years and some have been assigned to regular patients. By closing one of the two wings (30 beds), the Hospital will save \$295,000 in State funds. This would reduce the number of beds available for local center use from the 212 number indicated in current statutes.

General Fund	(\$295,000)
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2.10 Medicaid Rate Paid Providers

The State Hospital can save State funds by revising its reimbursement policy of payment for hospital patients that receive short-term treatment by community health providers. Also, if the Hospital makes available short-term acute beds for local mental health center clients, there would be additional savings to the public mental health system. Total savings are estimated at \$120,800 in State funds.

General Fund	(\$120,800)
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2.11 Residential Services Reduction

The Analyst's recommended FY 2002 reductions include a reduction in State funds of \$100,000 in the residential services budget. These funds would become available as individuals move or are otherwise not in further need of these services.

General Fund	(\$100,000)
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2.12 Other Savings

The Analyst's recommended FY 2002 General Fund reductions include two minor items: One is to eliminate funding for the "Neighborhood Action Coalition" (\$15,000). The other is a \$500 reduction in the Rural Mental Health Education program.

General Fund	(\$15,500)
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1.0 Department of Human Services – Division of Substance Abuse

Summary

The Division of Substance Abuse (DSA) is the State substance abuse authority. The Division administers state and federal funds for the treatment and prevention of substance abuse. It contracts with the State's 13 local substance abuse authorities, which provide services either directly or through contract providers. The Division receives state and federal substance abuse funds and allocates them to local substance abuse authorities.

The Analyst recommends a General Fund reduction in the FY 2002 DSA General Fund budget totaling \$364,400.

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	10,979,300		10,979,300
General Fund, One-time		(364,400)	(364,400)
Federal Funds	20,465,000	(128,000)	20,337,000
Dedicated Credits Revenue	20,000	(3,600)	16,400
GFR - Intoxicated Driver Rehab	1,050,000		1,050,000
Transfers - Other Agencies	8,600		8,600
Beginning Nonlapsing	6,000		6,000
Total	\$32,528,900	(\$496,000)	\$32,032,900
Programs			
Administration	1,542,800	(308,000)	1,234,800
State Services	6,842,100		6,842,100
Local Services	23,094,000	(188,000)	22,906,000
Drivers Under the Influence	1,050,000		1,050,000
Total	\$32,528,900	(\$496,000)	\$32,032,900
FTE/Other			
Total FTE	22	(2)	20

2.0 Issues: Department of Human Services – Division of Substance Abuse

2.1 Fiscal Analyst Recommendations

The Fiscal Analyst's FY 2002 recommended General Fund budget reductions total \$364,400 for DSA including the Governor's original budget holdbacks.

2.2 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor identified administrative savings of \$32,000 in General Fund reductions in the DSA budget.

General Fund	(\$32,000)
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2.3 Internal Service Fund Reductions

The General Fund reductions reflecting rate changes in the Motor Pool, Information Technology Services and Division of Facilities, Construction and Management total \$500. (Total funds impact to DSA is \$800.)

General Fund	(\$500)
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2.4 One Day Furlough

A one day furlough (leave without pay) in FY 2002 will save DSA \$2,100 in General Funds.

General Fund	(\$2,100)
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2.5 Across-the-Board Reductions

The Analyst's across-the-board decreases in several travel and current expense categories total \$10,200 for DSA. The categories include both in and out of state travel, conventions and workshops, data processing equipment and operating expenses, entertainment and receptions, computers, office supplies and equipment.

General Fund	(\$10,200)
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2.6 Administrative Reductions

In addition to the Governor's original budget holdbacks, across-the-board reductions, and one-day furlough, the Analyst has recommended additional administrative reductions totaling \$131,600 in General Funds in DSA. These include additional general administrative reductions (\$96,200), and vacancy savings (above personnel turnover savings already factored in - \$35,400).

General Fund	(\$131,600)
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2.7 Local Substance Abuse Authorities

The Analyst's recommended FY 2002 reductions include a two percent reduction in State funding passed through to the local substance abuse authorities, or \$188,000.

General Fund	(\$188,000)
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1.0 Department of Human Services – Division of Services for People with Disabilities

Summary

The Division of Services for People with Disabilities (DSPD) is responsible for providing residential, day and family support services for people with mental retardation and other developmental disabilities. Services provided range from limited family support to a full array of 24-hour services both in the community and at the Utah State Developmental Center

The Analyst recommends a General Fund reduction in the FY 2002 DSPD General Fund budget totaling \$1,589,700.

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	43,703,800		43,703,800
General Fund, One-time	(1,600,000)	(1,589,700)	(3,189,700)
Federal Funds	5,316,200		5,316,200
Dedicated Credits Revenue	1,367,700	(31,200)	1,336,500
GFR - Trust for People with Disabilities	200,000		200,000
Transfers - H - Medical Assistance	93,623,200	(1,321,500)	92,301,700
Transfers - Other Agencies	2,773,800	(13,800)	2,760,000
Total	\$145,384,700	(\$2,956,200)	\$142,428,500
Programs			
Administration	3,040,400	(969,900)	2,070,500
Service Delivery	12,345,700	(921,900)	11,423,800
State Developmental Center	32,162,700	(464,400)	31,698,300
Residential Services	64,357,500	(600,000)	63,757,500
Day Services	16,396,300		16,396,300
Supported Employment	5,913,600		5,913,600
Family Support	7,581,300		7,581,300
Services for Individuals with Physical Di	1,497,900		1,497,900
Transportation Services	2,089,300		2,089,300
Total	\$145,384,700	(\$2,956,200)	\$142,428,500
FTE/Other			
Total FTE	943	(29)	914

2.0 Issues: Department of Human Services – Division of Services for People with Disabilities

2.1 Fiscal Analyst Recommendations

The Fiscal Analyst's FY 2002 recommended General Fund budget reductions total \$1,590,300 for DSPD including the Governor's original budget holdbacks.

2.2 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor identified administrative savings of \$173,000 in General Fund reductions and \$66,300 in the DSPD support coordination staff.

General Fund	(\$239,300)
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2.3 Internal Service Fund Reductions

The General Fund reductions reflecting rate changes in the Motor Pool, Information Technology Services and Division of Facilities, Construction and Management total \$4,500. (Total funds impact to DSPD is \$12,400.)

General Fund	(\$4,500)
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2.4 One Day Furlough

A one day furlough (leave without pay) in FY 2002 will save DSPD \$39,700 in General Funds.

General Fund	(\$39,700)
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2.5 Across-the-Board Reductions

The Analyst's across-the-board decreases in several travel and current expense categories total \$73,200 for DSPD. The categories include both in and out of state travel, conventions and workshops, data processing equipment and operating expenses, entertainment and receptions, computers, office supplies and equipment.

General Fund	(\$73,200)
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2.6 Administrative Reductions

In addition to the Governor's original budget holdbacks, across-the-board reductions, and one-day furlough, the Analyst has recommended additional administrative reductions totaling \$310,000 in General Funds in DSPD. These include additional general administrative reductions (\$278,400), and vacancy savings (above personnel turnover savings already factored in - \$31,600).

General Fund	(\$310,000)
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2.7 Mini-grants to People on the Waiting List

For several years, the Division has provided mini-grants (up to \$500) for one-time needs of people on the disability waiting list. These funds were used for occasional respite care, equipment, etc. The Analyst's recommended FY 2002 reductions included eliminating these grants, saving the division \$500,000 in state funds. Federal matching funds are not available for these one-time services.

General Fund	(\$500,000)
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2.8 Services Delivery Staff

The Analyst recommends further General Fund reductions of \$323,000 in the budget for support coordination staff in the Division. This represents funding for 12 FTE staff positions that would be eliminated.

General Fund	(\$323,000)
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2.9 Replace General Fund with Disability Trust Funds

The Analyst's recommended FY 2002 reductions include using \$100,000 from the Disability Trust Fund to replace State General Fund in the DSPD budget. Statute allows the appropriation of interest and on-going lease revenues in the fund to be appropriated for DSPD services.

General Fund	(\$100,000)
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1.0 Department of Human Services – Office of Recovery Services

Summary

The Office of Recovery Services (ORS) is responsible for collecting funds owed to the State in the Social Services and Medical Assistance areas. ORS also is charged with collecting support payments from non-custodial parents for the custodial parents.

The Analyst recommends a General Fund reduction in the FY 2002 ORS General Fund budget totaling \$495,400.

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	12,575,600		12,575,600
General Fund, One-time		(495,400)	(495,400)
Federal Funds	27,069,200	(1,088,600)	25,980,600
Dedicated Credits Revenue	1,412,200	(35,000)	1,377,200
Transfers - H - Medical Assistance	1,869,300	(69,000)	1,800,300
Transfers - Other Agencies	1,230,000	(53,900)	1,176,100
Total	\$44,156,300	(\$1,741,900)	\$42,414,400
Programs			
Administration	1,086,300	(155,200)	931,100
Financial Services	5,940,900	(351,800)	5,589,100
Electronic Technology	8,542,200	(607,100)	7,935,100
Child Support Services	19,996,600	(492,700)	19,503,900
Investigations and Collections	1,877,800	(62,400)	1,815,400
Children in Care Collections	1,827,900	(36,100)	1,791,800
Attorney General Contract	3,148,800	(4,600)	3,144,200
Medical Collections	1,735,800	(32,000)	1,703,800
Total	\$44,156,300	(\$1,741,900)	\$42,414,400
FTE/Other			
Total FTE	593	(16)	577

2.0 Issues: Department of Human Services – Office of Recovery Services

2.2 Fiscal Analyst Recommendations

The Fiscal Analyst's FY 2002 recommended General Fund budget reductions total \$495,400 for ORS, which include the Governor's original budget holdbacks.

2.1 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor identified administrative savings of \$32,300 in General Fund reductions representing one position in the support staff for ORSIS (Office of Recovery Services Information System).

General Fund	(\$32,300)
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2.3 Internal Service Fund Reductions

The General Fund reductions reflecting rate changes in the Motor Pool, Information Technology Services and Division of Facilities, Construction and Management total \$40,000. (Total funds impact to ORS is \$161,900.)

General Fund	(\$40,000)
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2.4 One Day Furlough

A one day furlough (leave without pay) in FY 2002 will save ORS \$27,700 in General Funds.

General Fund	(\$27,700)
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2.5 Across-the-Board Reductions

The Analyst's across-the-board decreases in several travel and current expense categories result in a General Fund reduction of \$105,500 for ORS. The categories include both in and out of state travel, conventions and workshops, data processing equipment and operating expenses, entertainment and receptions, computers, office supplies and equipment.

General Fund	(\$105,500)
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2.6 Administrative Reductions

In addition to the Governor's original budget holdbacks, across-the-board reductions, and one-day furlough, the Analyst has recommended additional administrative reductions totaling \$274,600 in General Funds in ORS. These include additional general administrative reductions (\$223,500), and vacancy savings (above personnel turnover savings already factored in - \$51,100).

General Fund	(\$274,600)
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2.7 Other Reductions

ORS is planning to rewire for IT purposes, several offices around the State. For FY 2002, savings of \$15,300 in state funds are possible if these projects are postponed.

General Fund	(\$15,300)
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1.0 Department of Human Services – Division of Child and Family Services

Summary

State statute (62A-4a-103) defines the primary purpose of the Division of Child and Family Services (DCFS) as providing child welfare services. This includes child protective services, shelter care, foster care, residential care, adoption, preventive services, family preservation services, domestic violence services and youth services for minors who are dependent, ungovernable, or runaway.

The Analyst recommends a General Fund reduction in the FY 2002 DCFS General Fund budget totaling \$2,731,100.

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	67,312,500		67,312,500
General Fund, One-time		(2,731,100)	(2,731,100)
Federal Funds	42,869,000	(1,193,000)	41,676,000
Dedicated Credits Revenue	2,452,300	(14,900)	2,437,400
GFR - Children's Trust	350,000		350,000
GFR - Domestic Violence	650,000		650,000
Transfers - H - Medical Assistance	16,391,600	(225,100)	16,166,500
Transfers - Other Agencies	1,119,900	(26,300)	1,093,600
Beginning Nonlapsing	994,600		994,600
Total	\$132,139,900	(\$4,190,400)	\$127,949,500
Programs			
Administration	4,273,500	(602,900)	3,670,600
Service Delivery	59,000,800	(2,189,400)	56,811,400
In-Home Services	2,072,200	(100,800)	1,971,400
Out-of-Home Care	31,250,300	(44,100)	31,206,200
Facility Based Services	5,739,000	(157,500)	5,581,500
Minor Grants	4,120,100	(182,900)	3,937,200
Selected Programs	3,103,500		3,103,500
Special Needs	1,696,400		1,696,400
Domestic Violence Services	5,262,700	(78,700)	5,184,000
Children's Trust Fund	350,000		350,000
Adoption Assistance	12,019,900	(565,500)	11,454,400
Child Welfare Management Information :	3,251,500	(268,600)	2,982,900
Total	\$132,139,900	(\$4,190,400)	\$127,949,500
FTE/Other			
Total FTE	1,078	(43)	1,035

2.0 Issues: Department of Human Services – Division of Child and Family Services

2.1 Fiscal Analyst Recommendations

The Fiscal Analyst's FY 2002 recommended General Fund budget reductions total \$2,731,100 for DCFS including the Governor's original budget holdbacks.

2.2 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor identified \$468,800 in General Fund reductions in the FY 2002 DCFS budget. This amount includes \$323,900 to reduce last year's budget increase for replacing reductions in the Social Services Block Grant. The Legislature originally appropriated \$721,600 from the General Fund for this purpose. Federal funding availability indicates all of that increase is not required. The Governor also reduced funding for a youth outreach program by \$100,800, as this program has not been totally subscribed. \$44,100 for the newly funded tuition waiver program for children once in state custody was also eliminated.

General Fund	(\$468,800)
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2.3 Internal Service Fund Reductions

The General Fund reductions reflecting rate changes in the Motor Pool, Information Technology Services and Division of Facilities, Construction and Management total \$14,800. (Total funds impact to DCFS is \$20,500.)

General Fund	(\$14,800)
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2.4 One Day Furlough

A one day furlough (leave without pay) in FY 2002 will save DCFS \$121,400 in General Funds.

General Fund	(\$121,400)
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2.5 Across-the-Board Reductions

The Analyst's across-the-board decreases in several travel and current expense categories result in a General Fund reduction of \$368,900 for DCFS. The categories include both in and out of state travel, conventions and workshops, data processing equipment and operating expenses, entertainment and receptions, computers, office supplies and equipment.

General Fund	(\$368,900)
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2.6 Administrative Reductions

In addition to the Governor's original budget holdbacks, across-the-board reductions, and one-day furlough, the Analyst has recommended additional administrative reductions totaling \$894,000 in General Funds in DCFS. These include additional general administrative reductions (\$578,100), and vacancy savings (above personnel turnover savings already factored in - \$315,900).

General Fund **((\$894,000))**

2.7 FACT Restructuring

The Analyst's recommended FY 2002 reductions include reducing the FACT (Families, Agencies, Communities Together) budget. In DCFS this includes \$102,200 of administrative costs. Other reductions are recommended in the FACT budgets for State Office of Education, Department of Health, and Department of Workforce Services as well as in the Department of Human Services.

General Fund **((\$102,200))**

2.8 Reduction in the Adoption Assistance Budget

Through increasing restrictions on adoption assistance, including limiting assistance in most cases to services by Medicaid providers, DCFS has significantly reduced needs for State funding. Current projections indicate that needs justifying the FY 2002 budget increase of \$1.72 million (State funds) was overestimated by \$148,600.

General Fund **((\$148,600))**

2.9 Reduce Appropriated Budget for SAFE Operation

The FY 2002 funded building block of \$793,100 (State funds) was based on an expected reduction in the Federal participation rate for operating costs of SAFE (Child Welfare Management Information System). Since then, that Federal participation rate has been revised upwards by \$270,900, thereby justifying a reduction in state funds by that amount.

General Fund **((\$270,900))**

2.10 Regional Fiscal Performance

The Division has increasingly stressed good budget management practices in the regions and has been increasingly vigilant in drawing federal matching funds wherever possible. As a result, the Analyst's FY 2002 budget reductions include \$200,000 resulting from improved "regional fiscal performance."

General Fund	(\$200,000)
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2.11 Reduced Caseload Projections

The Division's projected need for resources has been revised downward in various child welfare areas. Caseload has been reduced accordingly. The Analyst has included a budget reduction of \$141,500 (State Funds) reflecting these changes.

General Fund	(\$141,500)
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1.0 Department of Human Services – Division of Aging and Adult Services

The Division of Aging and Adult Services (DAAS) is the designated State Agency authorized to coordinate all State activities related to the Older Americans Act of 1965. It advocates for the elderly, contracts for services, and administers State and federal programs for the elderly. The Division is also responsible for the protection of abused, neglected and exploited adults and elderly. Programs funded through the Older Americans Act must be distributed to the State's 12 local Area Agencies on Aging (AAA's).

The Analyst recommends a General Fund reduction in the FY 2002 DAAS General Fund budget totaling \$1,286,000.

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	12,482,500		12,482,500
General Fund, One-time	800,000	(1,286,000)	(486,000)
Federal Funds	8,026,500	(142,600)	7,883,900
Dedicated Credits Revenue	10,100	(300)	9,800
Transfers - H - Medical Assistance	194,900	(21,600)	173,300
Transfers - Other Agencies	70,400	(15,800)	54,600
Beginning Nonlapsing	344,400		344,400
Total	\$21,928,800	(\$1,466,300)	\$20,462,500
Programs			
Administration	1,409,100	(349,000)	1,060,100
Local Government Grants	14,349,100	(650,000)	13,699,100
Non-Formula Funds	2,881,700	(326,600)	2,555,100
Adult Protective Services	3,288,900	(140,700)	3,148,200
Total	\$21,928,800	(\$1,466,300)	\$20,462,500
FTE/Other			
Total FTE	67	(2)	65

2.0 Issues: Department of Human Services – Division of Aging and Adult Services

2.1 Fiscal Analyst Recommendations

The Fiscal Analyst's FY 2002 recommended General Fund budget reductions total \$1,286,000 for DAAS including the Governor's original budget holdbacks.

2.2 Governor's Budget Holdbacks

In the first round of FY 2002 budget holdbacks, the Governor identified \$800,000 in one-time General Funds appropriated for FY 2002. Of this amount, \$550,000 was intended to increase home delivered meals and other in-home services to the elderly. These services, if initiated, would have to be funded with on-going funds in FY 2003. The balance of \$250,000 was appropriated for use by local AAAs for purchases of meals delivery vehicles and passenger vans.

General Fund	(\$800,000)
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2.3 Internal Service Fund Reductions

The General Fund reductions reflecting rate changes in the Motor Pool, Information Technology Services and Division of Facilities, Construction and Management total \$3,200. (Total funds impact to DAAS is \$3,500.)

General Fund	(\$3,200)
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2.4 One Day Furlough

A one day furlough (leave without pay) in FY 2002 will save DAAS \$12,200 in General Funds.

General Fund	(\$12,200)
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2.5 Across-the-Board Reductions

The Analyst's across-the-board decreases in several travel and current expense categories result in a General Fund reduction of \$23,400 for DAAS. The categories include both in and out of state travel, conventions and workshops, data processing equipment and operating expenses, entertainment and receptions, computers, office supplies and equipment.

General Fund	(\$23,400)
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2.6 Administrative Reductions

In addition to the Governor's original budget holdbacks, across-the-board reductions, and one-day furlough, the Analyst has recommended additional administrative reductions totaling \$170,600 in General Funds in DAAS.

General Fund	(\$170,600)
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2.7 Adult Protective Services Day Care

Adult Protective Services (APS) investigates referrals of possible adult and elderly abuse and takes action to protect the individual from further harm. Most clients are referred to other agencies for services, but APS has funding to provide a limited number of Adult Foster Care and Adult Day Care placements. The Analyst has proposed a \$100,000 General Fund reduction in this program.

General Fund	(\$100,000)
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2.8 Meals and In-Home Services Reduction

In-home meals and other in-home services are funded by a combination of local, state and federal funds. Local AAAs either provide services directly or through contracts with private agencies. As recipients become no longer in need of services (through death, moving out of State, or for other reasons) funding is made available for others not receiving help. The Analyst's recommended \$100,000 reduction in these budgets should not necessitate people losing services, but will result in fewer new clients being served.

General Fund	(\$100,000)
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2.9 Medicaid Waiver Funds

The Analyst has included \$76,600 in General Fund reductions that would be made available for various elderly services provided by the local AAAs through the Medicaid waiver program.

General Fund	(\$76,600)
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